

Energy Resource Investment Plan (ERIP) STRATEGY "Filling the Gaps"
GAP: WHAT WILL FILL IT AND WHY
GAP: Lack of Clean Energy Financing (pages 13-14, ERIP)
The Exempt Industrial Development Bonds for clean energy manufacturers in cooperation with the Treasurer's office, allocation of the exempt authority for 2022 provides for related financing to support manufacturing of clean energy systems & support expanded investment in on-site energy solutions by general manufacturers.
Residential solar PV financing "I" may overlap with home improvement loan, below!This pilot-scale program will evaluate SBC's approach to bring solar within reach of homes and businesses through purchase/installation assistance of solar and affordable financing. Alternative pilot-scale approach to study and recommend for customers.
Energy efficient (EE) "Cool Roofs" loans to business & industry Commercial/industrial building owners motivated to meet incremental cost to have white, reflective surface materials that will cut AC costs & extend life of roof. Affordable financing can increase acceptance of technology.
Financing Energy Star Home Appliances Many consumers desire higher first cost of energy efficient appliances, especially if paying via credit card. Affordable financing can enable greater purchase numbers, with bill savings offsetting loan payments.
Energy efficiency loans to small businesses Small businesses have limited credit and borrowing capacity. Ideal for energy improvements and high priority. CPA affordable loan. Finance utility bill equipment. Basic efficiency in spending cost exceeded by bill savings.
Energy efficiency loans to large businesses, with repayment via utility bill/loan for energy improvements and high priority to businesses. CPA affordable loan. Finance utility bill equipment. Basic efficiency in spending cost exceeded by bill savings.
Residential "Flex Your Power" EE and solar home improvement loans, "May savings" or solar benefits can reduce pay for home improvements via credit card financing at 0% interest. (Charged CPA financing coupled with Flex Your Power periods can motivate incremental treatment of qualifying products - e.g. insulation, replacement windows, and air-duct/seal solar systems.
Financing distributed generation on commercial & industrial facilities, via technology manufacturers & developersCommercial owners motivated to finance new technologies and/or new companies emerging projects. Financing needed for early adopters.
Unspecified Customer Clean Energy Project No business and organizations born of the CPA, new initiative does to deploy clean energy technologies are described widely. This activity reflects ongoing staff resources to pursue new options.

New Centralized Renewable Renewables LOIs. CWP/KCA willing to consider renewable power contracts through CWP on a "take or leave" basis. PUC procurement policy and regulatory RPS will affect CWP approach.
New Centralized Renewables. Opportunities exist for CWP to exempt financing of renewable projects to provide power to municipally-owned systems.
Existing Centralized Renewables Existing Biomass. CWP considering single fuel contract with biomass plant operators through CWP. CWP also in good position to negotiate such contracts at \$10/c.
GAP: Lack of Strategic Reserves (page 14, ERP)
Leases for Real Time Reserves to customers<350MW demand>CWP and utilities increasingly view real time only from utility load perspective. CWP planning for possible deployment of advanced metering systems (subject benefits for utilities, customers, and state power system).
Utility Net - Contract RenegotiationBy state CWP acquisition of generation projects that would otherwise not be completed or need support to reduce cost.
Utility Net - San FranciscoSan Jose Corridor, Golden Gate PackerCWP is only entity that can obtain power sales contract and be willing to construct facility during 2007.
Utility Net - San FranciscoSan Jose Corridor, San Francisco Int'l Airport projectCWP partnership of San Francisco desires CWP partnership to facilitate timely project construction.
Overcoming the Peak - Short-term Demand Reserve ProgramCWP has designed a program that can operate on statewide basis, provides dispatchable load reduction that offsets CWP existing services charges.
Utility Net - Packer LOIs (suspended) transaction processed as "forward power" during peak demand, and CWP was expected to own cheap peaking capacity for use during periods of tight electricity supply. CWP focus currently on reliability constrained areas.

GAP: Insufficient Incentives for Greening Public Buildings (page 14, ER)
Distributed generation bulk procurement (solar, fuel cell, or microturbine) option requires purchasing power at government agencies to drive down technology price as much as 30% or more via large-scale purchase commitments.
Large Public Agency Loan-Pool statewide energy loan fund at low-emptiness offers economies of scale in bond issuance + administrative costs compared to individual action by each local government. If loan requirement tied to utility bill, enables bill savings to offset bond repayment costs, thus easing efficiency and DR orders by public agencies.
SEC local government loan program replenishment SEC's small loan & technical assistance program for local governments is depleting its loan funds. Needs to have capital replenished with bond mechanism to leverage future loan repayments.
Leveraged loans to 3rd party private DR developers, for public building projectsLeverage private volume of investment activity from 100% public financing private ownership captures the benefits to reduce capital costs.
Ongoing Activities in Support of the CPA Gap-Filling Role
Communications - Public/Legislative/Media Outreach
Marketing of CPA's Revenue Generating Programs - Drafting and editing informational materials, fact sheets, including the Annual & Budget Report; releasing Requests for Proposals and Bids (RFPs, RFIs), applications and term sheets; targeting and updating distribution lists that include stakeholder groups, agency representatives and elected officials; administering and evaluating a comprehensive program to inform the public of activities and objectives of the Authority, and developing
General Communication Activities -Proactive media outreach-drafting, editing and preparing media advisories, news releases, articles, correspondence, booklets, brochures, pamphlets and reports for community groups, special interest groups, news organizations, and for publication. Rapid response and management; back-grounding news media; coordinating public speaking engagements; television newscasts, satellite feeds, live interconnects, video production and placement, print paid
Legislative Coordination -drafting correspondence to legislators; preparing legislative bill analyses; attending/monitoring hearings; writing position statements and white papers.
Website Maintenance - Updating and posting of public informational materials: RFP, RFI applications, term sheets, transcript, news releases, fact sheets, board meeting dates.
Public/Legislative/Media Queries -Managing correspondence with legislators, business groups, community groups, media, special interest groups, the public and other agencies via phone, email, and mail; tracking and logging of public comments; scheduling, advancing, set up and posting of Board meetings and conference logistics in compliance with Public Meeting Notification.
Planning
Energy Resource Investment Plan Updates -State Legislative mandate for annual plan; CPA Board established quarterly requirements.
New loan product development -initial market reconnaissance was needed with manufacturers, builders, retailers, consumers and others to determine situations where financing can increase adoption of clean energy solutions for businesses, homes, institutions. No other State agency or private party has this mandate.

Policy, Regulatory and Legal Support
Drafting Policy Analyses -Contribute unique perspective of how investment and finance decisions are made by market or incentive through CFA financing role.
Distributed generation policy proceedings-CEC + CPUC -Contribute CFA perspective of financing market development to the tools available to CPUC (regulating) and CEC (research and analysis). Also seeks removal of regulatory barriers to DG deployment, to support lending activities.
Participation in CPUC proceedings on energy efficiency and energy efficiency funding to coordinate strategy & loan mechanisms -CFA as a "bank" collaborates with CEC, CPUC to leverage those agencies' research, grant, and implementation funding support for shared goal of capturing conservation & DG opportunities in CA. Coordination with other State agencies (e.g. CARB) addresses environmental opportunities of DG, and/or ways to deploy clean energy techol.
Participation in CPUC resource procurement proceedings -Proceeding will establish planning, procurement, and financing of conventional technology for CDSs, with potential CFA role in financing renewable projects.
Internal legal support for bond financing -Plan, deploy, direct and manage internal and external legal services for financing transactions and bonding processes.
Form 700/Conflict of Interest monitoring -Provide continuous and consistent management supervision and enforcement by CFA of appointees, outside consultants, and outside and internal employees.
Assisting in development of State agency energy project finance criteria -Multiple investment criteria exist among DOF, Legislature, CPUC, CEC, and CFA for selecting clean energy investment opportunities. Will streamline State decision process if we can establish common energy resource investment criteria for on-site building improvements.